HEALTHCARE: USING RECOGNITION TO CONFRONT A CRISIS

How Healthcare Leaders Enhance Engagement to Battle Turnover and Improve Patient Care

Healthcare professionals have particularly tough challenges. Long hours. Sick patients. Stressful situations. Add to that the fact that healthcare practitioners are called upon to make life and death decisions each day and it’s no wonder the industry battles with high turnover, labor shortages, and quality of care issues.

But there are some exceptionally bright spots in this essential industry. What are these market leaders doing to overcome industry averages? How do they manage to engage employees in their missions? The common tie to success for each of these leading organizations is deceivingly simple: They each have a strategy for appreciating great work within their organizations.

This report evaluates the results of various healthcare providers of different sizes and geographies that credit focused recognition practices for reduced turnover, more satisfied employees, and better patient care.
CASE STUDY 1

Ohio Living

TYPE: Regional non-profit healthcare provider
SIZE: 3,000 employees

Ohio Living is an 80-year-old non-profit long term care provider that specializes in a wide range of services from retirement centers to hospice care throughout Ohio. Ohio Living serves 50,000 people each year and relies on its staff of nurses, nursing assistants, administrators, and other health professionals to deliver high quality care to older adults and their families.

Dana Ullom-Vucelich, vice president of human resources for Ohio Living and Nancy Koury King, the chief operating officer of Ohio Living’s home care division, have created a non-traditional partnership. Representing human resources and operations, respectively, each acknowledges that recognition is making measurable differences at every level in the organization. They have joined forces to collect and share the results of recognition at Ohio Living and make strategic recognition practices one of Ohio Living’s most important priorities.

“We have been able to go beyond connecting great recognition practices to the typical metrics—turnover, satisfaction, engagement,” says Ullom-Vucelich. “Not that those things are unimportant—they are very important. But what really caught our attention is that when locations have high recognition scores, their patients also have fewer incidences of infections, pressure sores, improved health department scores, and there is greater continuity of care.”

Ullom-Vucelich and King have partnered to cultivate an employee opinion survey that reliably measures recognition’s impact and further evaluates the data in a way that gives leaders operationally significant results.

“Often the only stakeholder for recognition is HR,” says Ullom-Vucelich.“(But) our partnership and our data convinces and involves every other business partner in the organization—from the financial stakeholders to the quality healthcare stakeholders—they see how recognition makes a difference for the outcomes they care about most.”

The data King and Ullom-Vucelich regularly gather and evaluate compels even their biggest critics

“Five of our top 11 indicators of job satisfaction are recognition related,” shares King. “In short, those Ohio Living locations that are more effective at using recognition have lower turnover, better health department reviews, greater patient satisfaction and higher wellness indicators than locations that don’t. Everyone here cares about results like that.”

“This data screams to our nurse managers,” says King. “There is an overwhelming preponderance of evidence that the recognition initiative works. It results in overall better patient care, happier nurses, and fewer headaches for our managers. It’s a win for everyone.”

The biggest financial win for Ohio Living has been its ability to reduce turnover at those locations where recognition is used most effectively.
“When recognition is present and practiced effectively, our nursing turnover is reduced by 23 percent,” says King. “No matter how you figure your turnover costs, 23 percent is a big deal. And it’s an even bigger deal when you’re dealing with a population as important and scarce as nurses. We do everything we can to hang on to them and, aside from the basics, it looks like recognition is having the biggest impact.”

**NURSING RECOGNITION AND NURSING JOB SATISFACTION**
- Locations with High Recognition = 75 PERCENT SATISFACTION
- Locations with Low Recognition = 62 PERCENT SATISFACTION

**EMPLOYEE RECOGNITION AND NURSING TURNOVER**
- Locations with High Recognition = 39 PERCENT TURNOVER
- Locations with Low Recognition = 62 PERCENT TURNOVER

**EMPLOYEE SATISFACTION AND HEALTH DEPARTMENT SCORES**
- Locations with Low Employee Satisfaction = 26.6 SCOPE & SEVERITY POINTS (lower is better)

**EMPLOYEE SATISFACTION/TURNOVER AND RESIDENT MEDICAL CONDITIONS**
- Locations with High Employee Satisfaction = 4% REDUCTION IN URINARY INFECTIONS
- Locations with Low Employee Turnover = 6.5% REDUCTION IN PRESSURE SORES
- Location with Low Employee Turnover = 3.25% REDUCTION IN RESIDENT FALLS

**CASE STUDY 2**

**VITAS Innovative Hospice Care**

**TYPE:** National hospice care provider  
**SIZE:** 9,000+ employees

Headquartered in Miami, Florida, VITAS operates 42 hospice programs in 16 states. Currently the organization has more than 9,000 employees and revenues of over $700 million. VITAS expects to double in size in the next five years, adding thousands of nurses and many new locations.

Such explosive growth and the increasingly limited supply of nursing resources has forced VITAS to get strategic about recruiting and retention practices. Company leaders began that effort by finding out how employees felt about the organization through an employee survey.

Survey results revealed a high level of employee commitment to the organization’s mission. It also identified 10 key areas of improvement that centered on employee communication with management and feelings of being unappreciated.
Kal Mistry, senior vice president of human resources for VITAS, responded to survey results by assembling an employee satisfaction and trust committee. Members were asked to talk to people all over the organization and find out what employees valued most. The committee discovered VITAS employees felt there was a greater need for a formal recognition and reward program.

“We are at a critical time for HR at VITAS,” says Peggy Pettit, EVP and chief operating officer. “Like all other healthcare providers we are faced with a labor shortage at just the time we are expecting unprecedented growth. We must do all we can to face that challenge head on and plan for it. Strong recognition practices are something we can do to keep the nurses we have and create the type of work environment that is attractive to employees looking for a place to begin a career.”

Currently, nurses make up 40 percent of the VITAS workforce. Their average age is 48 years old and many of their most senior nurses are expected to retire within six to eight years.

“The competition for skilled nurses is unbelievably intense. There is a crisis in nursing today,” says VITAS CEO Tim O’Toole. “We are doing everything we can to minimize turnover and attract the right people. We are making a strategic investment in solid recognition practices because it’s the right thing to do for our people, our shareholders, the taxpayer’s dollars we work with, everyone.”

“Recognition acts as a catalyst for the employee-manager relationship,” says Mistry. “If employees leave us, we find it is most often because of issues with managers and supervisors. So reducing turnover and producing positive business results really starts with good management and supervision. The VITAS CARES recognition and training initiative teaches our managers that if you treat employees well and recognize what they are doing, they are more likely to do great work.”

Mistry and her team are using recognition of great work to help VITAS realize important business results such as reduction in turnover and improved communication. But even more important is the bond it creates between managers, employees and the VITAS mission.

“The main reason people join us is because of our reputation in the industry,” says Mistry. “But the reason they continue to stay with us is because of the relationships with their managers, supervisors, and their team of co-workers. Strong recognition practices help us in both areas—to attract and retain in a very competitive labor market.”

CASE STUDY 3

McKay-Dee Hospital

**TYPE:** Regional hospital  
**SIZE:** 2,700 employees

With 10 affiliated clinics, McKay-Dee serves northern Utah and portions of southeast Idaho and western Wyoming. A part of Intermountain Healthcare’s system of 21 hospitals, McKay-Dee Hospital Center offers nationally ranked programs such as the Heart & Vascular Institute, the Newborn ICU and a new Cancer Treatment Center.
Along with all of Intermountain Healthcare, McKay-Dee is committed to high quality patient care and top-tier service delivery. And a key strategy in accomplishing those goals is recognizing and rewarding the hospital’s best caregivers. Programs such as “Hero” cards, thank-you notes, “Thanks-in-3” reminders, and an O.C. Tanner service award program were in place, but hospital administration felt some managers lacked the commitment to recognition and the delivery skills to really make a difference.

Interested in the effect of focused recognition training for its managers, McKay-Dee agreed to an experiment. The hospital embarked on a training program for all supervisors and managers that consisted of a series of training workshops from recognition expert and best-selling author Adrian Gostick. Gostick visited McKay-Dee, who outlined the concepts of effective recognition, and taught managers how to connect employees to the organizational values and goals through recognition practices.

After doing a baseline survey for reference, McKay-Dee re-surveyed employees after eight months with their recognition-trained managers to see if sharing best practices makes an impact.

The result? McKay-Dee’s overall recognition rating increased 10 percent in just eight months, indicating a real improvement in employee satisfaction with recognition experiences at the hospital. Such a dramatic increase correlates with improvements in recognition alignment, or managers and employees demonstrating core values, exceeding program objectives and increasing peer recognition (see chart below).

More impressive, survey results indicate a culture shift in the organization. Response to the question “I have received appreciation in the last seven days,” increased 5 percent over the eight-month period. And the perception that the recognition given was both personal and sincere also increased 5 percent.

“McKay-Dee experienced increases in the frequency, timeliness and quality of recognition efforts since the recognition skills and awareness training effort,” says the hospital’s recognition consultant Larry Farris. “When you couple that with the fact that there was also a 6 percent increase in the number of people who understood why they were begin recognized, I think they are headed in an extremely positive and impactful direction for their
people and their hospital.”

While several other satisfaction levels also increased, the increase in the perception of McKay Dee’s employees in the belief that, “My manager helps me learn,” may be the most encouraging.

“When associates develop relevant relationships with their managers it starts to impact turnover,” says Gostick, best-selling author of The Carrot Principle. “And if those employees are reporting an increased ability to learn from their managers, that impacts the quality of patient care. When the best people practices, namely effective recognition, start to affect patient care and the hospital’s bottom line, everyone wins.”

KEY TAKEAWAYS

Best Practices in Healthcare Recognition Reveal Three Essential Principles

**PRINCIPLE 1:** Ask the Tough Questions

Most successful attempts to change a culture or way of doing things begin with an evaluation of where the organization stands right now. Starting with a survey establishes a baseline, reveals organizational strengths, and opportunities for improvements.

“The results of the VITAS employee survey were very encouraging and very informative,” says Mistry. “We found out our workforce was extremely committed to our mission, and they identified 10 issues where we could improve. For the most part, it came down to the fact that they wanted more attention. They felt that management was not quite in touch with them.”

“I remember discussing the decision to do the survey,” says VITAS President David Wester. “As a management team we talked about the notion that if you’re going to do a survey you have to take action, because if you don’t take action you’ll lose credibility with employees. We needed to be prepared to deal with the results before we ever committed to do the survey.”

Fortunately for VITAS and its employees, the senior management team had the courage to find out what they didn’t know and went forward with the survey.

“Because of our surveys employees now know that we pay attention. We listen. We know what they need from us to thrive because we asked and we will continue to ask,” says Mistry. “That enables us to put programs in place, to train managers, to communicate to employees about the things that matter most to them and meet their needs in a more proactive way.”

**PRINCIPLE 2:** Recognize What Matters Most

Helping managers understand their role in helping their employees feel engaged and productive is not always an easy task. Leaders at Ohio Living faced tough
challenges getting some managers onboard with recognition practices.

“Some of our managers believe nurses should do a good job because it’s their job—period,” says King. “While that may be true at some level, that attitude definitely does not work when we’re asking managers to inspire and engage our people.”

To help understand manager reluctance, King asked manager’s what mattered most to them. The resounding answer? Better patient care.

“That answer gave us a place to work from,” says King. “If our manager’s reluctance to recognition was based on a singular focus on the well being of Ohio Living patients we knew we had to share the impact recognition has had on improved patient care.”

King now regularly shares and benchmarks locations with higher recognition scores and their correlations with fewer incidences of infections, pressure sores, improved health department scores and greater continuity of care. Ohio Living managers have been won over and are now recognition advocates because of the research King has done to prove the case for recognition.

“It’s critical for us to communicate to people in our organizations at the level at which they can hear us.”

— NANCY KOURBY KING, COO, OHIO LIVING

PRINCIPLE 3: Provide Opportunities for Growth

Building in opportunities for manager growth and participation is an approach adopted by all the industry leaders we’ve studied. As demonstrated by McKay-Dee’s training-only experiment, providing managers with the knowledge and tools they need to effectively deliver appreciation for great work is critical to helping managers be successful in implementing recognition practices that deliver business results.

For Ohio Living, recognition practices range from daily “huddles” where managers and employees gather for a short time to share organization news and thanks for team support and accomplishments, to recognition for years of service and, most recently, a values-based performance recognition program. Training for Ohio Living managers begins at the top where Ullom-Vucelich and King use executive planning retreats to present their findings on the impact of recognition on important measures for the organization. They then encourage senior leadership to model recognition behavior with specific suggestions and challenges. Many leaders take those suggestions back to their managers and explain the impact recognition can have at their facilities.

Local programs also use on-the-spot recognition called “Caring Hearts” to recognize outstanding employee actions.

“Each week during our management meeting we designate time for our 17 leaders to send thank you notes to employees they see making a difference,” says Jennifer Howell, HR director for Ohio Living’s Westminster-Thurber Community. “It is not our goal to be punitive with managers who need help learning about recognition and understanding its impact. We must give them every opportunity, every tool possible to help them be successful.”

“Recognition is not a program for us, but a culture we’re trying to instill,” says Ullom-Vucelich. “We are connecting our values to how we reward in relation to
“Companies serious about changing their cultures decide what’s most important to their organizations and build appreciation practices around those values.”

— DANA ULLOM-VUCELICH, VP OF HR, OHIO LIVING

who we are as an organization.”

**PRINCIPLE 4: Provide the Tools; Create a Recognition Culture**

What are the tools your managers need to create a recognition culture and produce results? These leaders recommend the following approach:

1. **SURVEY**

   Surveys help uncover what you know, where you’re starting from, and where you need to go. When it comes to getting strategic about the results you expect and the goals you hope to accomplish, you must know where to start. The right survey questions help you focus in on exactly what your employees need to produce the results you want.

2. **FOCUS ON VALUES**

   “Companies serious about changing their cultures decide what’s most important to their organizations and build appreciation practices around those values. But even more critical to deciding on essential values, is defining the behavior that exemplifies each value in action. “What does it mean to have integrity? Compassion? Until you explicitly state the action and give concrete examples of what it means to exemplify those values, people will have a hard time understanding what it takes to work in the way that most benefits your patients and the organization,” says Ullom-Vucelich of Ohio Living.

3. **CREATE MULTIPLE RECOGNITION OPPORTUNITIES**

   Creating a recognition culture and the results it produces requires more than one approach to recognition. Organizations that excel create targeted programs that focus on recognizing specific accomplishments in several areas of the employee experience.

   *Service Recognition*—A staple of recognition culture, service or career milestone recognition creates regular opportunities to recognize an employee’s loyalty and contributions. But the best organizations warn against waiting too long to begin service recognition. The first 30 days? 90 days? Six months? A year? Leaders recommend choosing early milestones for engaging employees early on in their careers and inspiring them to stick around.

   *Performance Recognition*—When employees act in ways that personify the values most important to your organization’s success, they need to be recognized publicly. Not only does it encourage the behavior from the recognition recipient, but those who watch the presentation gain a greater understanding of what it takes to get noticed, make a difference, and move the organization forward. These are often structured as peer-to-peer recognition programs so everyone can get involved in observing and praising extraordinary actions.

   *On the spot*—For those actions, large and small, that simply must be acknowledged immediately, on-the-spot programs provide the opportunity to make recognition instant. Whether you use gift passes, thanks™ certificates or other methods of shining the spotlight in the moment, employees are sure to remember the praise and the message you send when you appreciate great work.
Events—Celebrate with your organization! Recently win an award? Pass an audit? Pull through extraordinary changes? Pull everyone together for a celebration and have senior leadership express appreciation for everyone’s hard work and dedication. Don’t miss an opportunity to share the energy of your success.

Daily Praise—Whether you make it a morning meeting agenda item or create daily emails, providing managers with a regular forum for appreciating great work makes them more likely to do it.

4. LEAD BY EXAMPLE

Ohio Living leaders knew they were onto something when senior leaders took an active interest in recognition as a topic for their retreat. When your executives and managers are trained in the importance and impact of recognition practices they are more likely to demonstrate thanking behavior themselves; creating a trickle-down effect that can wash over the entire organization.

5. CONTINUALLY UPDATE

Keeping recognition fresh and top of mind requires planning. “When it comes to recognition, we cannot rest on what we have taught in the past. We must build on it,” says Mistry of VITAS. “Because workplace issues and initiatives change, it is of utmost importance that we keep managers and employees interested in recognition by renewing our focus, our messages, to be relevant to the challenges and issues they face today.” For VITAS that means new campaigns, regular updates of the latest recognition recipients and best practices in the organization, new manager training guides and continually keeping recognition top of mind for everyone.

For more information on engaging your workforce and achieving key results by recognizing great work, visit octanner.com.
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Ohio Living
Founded in 1922, Ohio Living is the largest and most experienced not-for-profit provider of Continuing Care Retirement Communities (CCRCs) in Ohio. They serve more than 4,500 residents on 11 campuses across the state and more than 48,000 older adults through Senior Independence, the home and community-based services division of Ohio Living.

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VITAS
VITAS Innovative Hospice Care®, a pioneer and leader in the hospice movement since 1978, is the nation’s largest provider of end-of-life care. Headquartered in Miami, Florida, VITAS (pronounced VEE-tahs) operates 42 hospice programs in 16 states.

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McKay-Dee Hospital Center is a nonprofit, 317 bed full-service tertiary and acute care referral center. With 10 affiliated clinics, McKay-Dee serves northern Utah, and portions of southeast Idaho and western Wyoming. A part of Intermountain Healthcare’s system of 21 hospitals, McKay-Dee Hospital Center offers nationally ranked programs such as the Heart & Vascular Institute, the Newborn ICU and a new Cancer Treatment Center.

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